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Railroaders and Reformers: The Chicago & North Western Encounters Grangers and Progressives

H. ROGER GRANT

THE IMAGE OF RAILROADS during the Gilded Age and Progressive Era remains curiously tarnished. The familiar theme is that of public enemy. Supposedly, carriers, as a whole, charged exorbitant rates, provided poor service, and dodged taxes. They maintained an unfair advantage, from this perspective, by securing undue influence in state legislatures. According to historian Arthur A. Ekirch, Jr., "Railroads, as the major economic interest in the country, received especially favorable consideration in the form of land grants and low taxes. [And] in certain states . . . the railroad lobby controlled legislators and key officials who served its selfish demands rather than the public welfare."¹

This, then, is a common perception, notwithstanding the efforts of talented students of the railroad industry. Thomas C. Cochran, for one, in his monumental work, *Railroad Leaders, 1845-1890*, shows that industry executives possessed high personal moral standards, preferred honesty in their business transactions, and felt content if their properties produced modest profits. Similarly, Albro Martin, in his prize-winning but frequently ignored study, *Enterprise Denied*, gallantly seeks to establish the community-spirited efforts of railroad companies during the late nineteenth and early twentieth centuries. More recently, Maury Klein, in his massive biography of Jay Gould, "the most hated man in America," portrays this infamous

1. Arthur A. Ekirch, Jr., *Progressivism in America: A Study of the Era from Theodore Roosevelt to Woodrow Wilson* (New York, 1974), 108.

THE ANNALS OF IOWA 50 (Winter 1991). ©The State Historical Society of Iowa, 1991.

"robber baron" as one who was committed to building—not bleeding—his rail empire.²

The historical debate over whether railroad officials and their companies were "good" or "bad" likely hinges on what examples are considered. Admittedly, while some railroads—perhaps the vast majority—"behaved," others did not. In the context of Iowa railroading, the Chicago & North Western (C&NW), for instance, adhered much more closely to what might be considered the public interest than did, for example, its rival, the Chicago, Rock Island & Pacific (Rock Island). Roads, too, changed dramatically over time. The Rock Island itself did not achieve "chronic wrongdoer" status until the corrupt Reid-Moore Syndicate took the throttle early in the twentieth century, eventually bankrupting the property and reducing the quality of service.³

For the story of railroads and reformers to be fully known, the case of the Chicago & North Western must be considered, if for no other reason than the road's considerable size and wealth. During the system-building years that followed the Civil War, the C&NW grew from a modest pike of 1,152 miles in 1867 to 9,761 miles in 1910, making it one of the nation's largest carriers. (Its Iowa mileage soared from 409 miles to 1,412 miles during this period.) By the dawn of the new century, the C&NW and its affiliated properties—most notably the Chicago, St. Paul, Minneapolis & Omaha (Omaha Road)—bound nine midwestern and Great Plains states and sported "speedways" that linked Chicago with Omaha, the eastern segment of the famed Overland Route, and Chicago with Milwaukee and the Twin Cities. The C&NW also enjoyed robust financial health. Its securities were truly suitable for "widows and orphans" or anyone else who sought safety and earnings. In fact, the Statistical Department of Harvey Fisk & Sons, a New York brokerage house, reported early in the century that only

2. Thomas C. Cochran, *Railroad Leaders, 1845-1890: The Business Mind in Action* (Cambridge, MA, 1953); Albro Martin, *Enterprise Denied: Origins of the Decline of American Railroads, 1897-1917* (New York, 1971); and Maury Klein, *The Life and Legend of Jay Gould* (Baltimore, 1986).

3. For a review of the evil worked by the Reid-Moore Syndicate, see William Edward Hayes, *Iron Road to Empire: The History of the Rock Island Lines* (New York, 1953), 165-221.

the Delaware, Lackawanna & Western, "The Road of Anthracite," yielded a better return on investment.⁴

IN THE EARLY 1870s, when the so-called Granger movement swept the upper Mississippi River valley, the heart of the Chicago & North Western's operations, the company understandably became alarmed and affected. Spearheaded by a coalition of farmers, merchants, and commercial groups, Grangers commonly sought to reduce rates and end long- and short-haul discrimination. These reformers usually pressed hard for creation of state railroad commissions with powers to supervise carriers and thus guarantee consumer triumphs.⁵

Their victories were impressive. Stringent railroad regulatory acts passed in Illinois, Iowa, Minnesota, and Wisconsin. The most drastic was Wisconsin's Potter Railroad Law, which took effect on May 1, 1874. This controversial legislation arranged freight and passenger traffic into classifications and established maximum rates for items within each category. Generally, the act ended the common practice of carriers setting a greater rate per-ton-mile and per-passenger-mile for the shorter haul. The Potter Law also created a three-member board of railroad commissioners to implement its provisions. Unquestionably, this type of statute set a precedent of dangerous inflexibility in rates, especially for freight, and it accepted the mistaken assumption that "reasonable" charges were based *solely* upon distance.⁶

4. W. H. Stennet, comp., *Yesterday and To-day: A History of the Chicago & North Western Railway System* (Chicago, 1910); "A Review of the Earnings of the Chicago & North Western for 1909," Pliny Fisk Collection, Firestone Library, Princeton University, Princeton, NJ, hereafter cited as Pliny Fisk Collection.

5. D. Sven Nordin, *Rich Harvest: A History of the Grange, 1867-1900* (Jackson, MS, 1974), 214-37; Earl S. Beard, "The Background of State Regulation in Iowa," *Iowa Journal of History* 51 (January 1953), 32-36; Mildred Throne, "The Repeal of the Iowa Granger Law, 1878," *Iowa Journal of History* 51 (April 1953), 97-130.

6. Nordin, *Rich Harvest*, 214-37; Solon Justus Buck, *The Granger Movement: A Study of Agricultural Organization and Its Political, Economic, and Social Manifestations, 1870-1880* (Cambridge, MA, 1913), 123-94; George H. Miller, *Railroads and the Granger Laws* (Madison, WI, 1971); Frank H. Dixon, *State Railroad Control with a History of Its Development in Iowa* (New York, 1896), 26-28; and Robert T. Daland, "Enactment of the Potter Law," *Wisconsin Magazine of History* 33 (September 1949), 45-54.

In the same year that Wisconsin Grangers attacked their railroads, their Iowa colleagues did the same. They were supported by the state's popular governor, Cyrus Clay Carpenter, who proclaimed, "In my judgment the time has arrived when a limit to freight charges on our Iowa railroads should be fixed by law." The governor's initiative prompted legislators to consider the wishes of the approximately forty thousand local members of the Patrons of Husbandry, or Grange, for railroad control. Yet the final measure lacked enthusiastic farmer backing. It failed to create a board of railroad commissioners as Iowa agrarians proposed; instead, it placed a maximum rate, or "cast-iron tariff," on freight charges. This, however, especially pleased eastern Iowa merchants who fervently battled for the lowest rates possible. Needless to say, railroads, including the Chicago & North Western, felt this additional sting of consumer unhappiness.⁷

Yet the overall rate policies of the Chicago & North Western during this era of Granger reform activity do not stand out as particularly evil. In Iowa, for example, the Patrons of Husbandry itself revealed that the C&NW's short-haul charges were next to the lowest of the five trunk lines serving the state and that its long-haul rates (to Chicago) were the lowest. The Hawkeye state Grange, furthermore, made no complaints about the quality of service or the physical condition of the road.⁸

Understandably, the Chicago & North Western could not realistically ignore this first great wave of public regulation. After all, the Potter Law, in particular, gravely affected its financial health. In 1873 the road's interest payment for its 565 miles of lines in Wisconsin was \$1,350,135, but its net income from this trackage for the best year during the act's operation amounted to only \$1,026,945.⁹

7. Mildred Throne, *Cyrus Clay Carpenter and Iowa Politics, 1854-1898* (Iowa City, 1974), 177-85.

8. Nordin, *Rich Harvest*, 217; *Proceedings of the Iowa State Grange of the Patrons of Husbandry, 1873-1875*; *Ames Intelligencer*, 7 January 1886.

9. *American Railroad Journal* 31 (20 February 1875), 231; *Annual Report of the Chicago and North Western Railway Company for the Fifteenth Fiscal Year Ending May 31st, 1874* (New York, 1874), 18-22.

Initially, Chicago & North Western officials, headed by conservative President Albert Keep, sought to educate the public—most of all lawmakers—about the silliness of mileage-based rate controls. In one “Memorial” or white paper, Keep joined the able Alexander Mitchell, president of the Midwest’s other railroad giant, the Chicago, Milwaukee & St. Paul Railway, to argue the firms’ position with depth and soundness. Their arguments, which addressed the notion that “Equal mileage rates are inexpedient,” typify the Keep-Mitchell logic:

(a) It would prevent railway companies from lowering their fares and rates so as to compete with traffic by sea, by canal, or by a shorter or otherwise cheaper railway, and would thus deprive the public of the benefit of competition and the company of a legitimate source of profit.

(b) It would prevent railway companies from making perfectly fair arrangements for carrying at a lower rate than usual goods brought in large and constant quantities, or for carrying for long distances at a lower rate than for short distances.

(c) It would compel a company to carry the same rate over a line which has been very expensive in construction, or which, from gradients or otherwise, is very expensive in working at the same rate at which it carries over other lines.¹⁰

The Chicago & North Western’s initial position was somewhat naive. A Keep associate wrote in 1873, “Through the process of informing the citizens about the true nature of railroad affairs, we can prevent cruel laws from happening.” Likely the shock of the Potter Law and Iowa’s “cast-iron tariff” prompted the C&NW and other roads to become more forceful. Their principal response came to involve direct legislative lobbying. The degree to which the C&NW lobbied in Madison, Des Moines, and elsewhere is not clear, but “the C&NW made its case heard before the proper authorities.” Yet there is no evidence that the company took extreme actions, anything that smacked of corporate arrogance. The Chicago, Milwaukee & St. Paul, on the other hand, did. Mitchell refused to allow his com-

10. *Memorial of the Chicago & North Western and Chicago, Milwaukee & St. Paul Railway Companies to the Senate and Assembly of the State of Wisconsin* (Chicago, 1875), 2.

pany to erect much-needed grain-storage facilities in Milwaukee until the Grangers halted their attacks.¹¹

The most restrictive Granger laws soon became merely unpleasant memories for the carriers. Wisconsin lawmakers repealed the noxious Potter Law in 1876, and in Iowa, two years later, the General Assembly replaced the 1874 statute with a more reasonable Board of Railroad Commissioners, the initial objective of the state's Grange.¹²

BY THE END OF THE 1870s Grangerism had run its course. A stronger economy and more transportation options accounted largely for the decline in regulatory agitation. Then in the 1880s and after, railroad rates fell steadily and the quality of service improved markedly as the result of increased competition. Ever more powerful locomotives, pulling longer, heavier trains symbolized a maturing network of steel highways that blanketed the Midwest and much of the nation.

During the late nineteenth and early twentieth centuries the Chicago & North Western established itself as a quality carrier. Its "Best of Everything" slogan accurately characterized the road. Longtime head Marvin Hughitt (1837-1928) strove mightily to create an "advanced" system. This hard-driving executive, who entered C&NW officialdom in 1872, became president in 1887 and retained that post until 1910. Yet "King Marvin," as employees commonly called him, would continue to serve in an active capacity as chairman of the board of directors until 1925. The Hughitt regime spent lavishly on capital improvements. The principal lines, including the Overland Route between Chicago and Council Bluffs, became double tracked; received heavy steel rails, hardwood ties, and deep ballast; and sported state-of-the-art signaling. Obviously a top-notch physical plant accommodated more traffic, more rapidly and more efficiently. Like James J. Hill, "The Empire Builder,"

11. Minutes of the Board of Directors, Chicago & North Western Railway Company, 25 August 1873, 2 February 1874, 11 January 1875, Chicago & North Western Transportation Company, Chicago, Illinois; Stanley P. Caine, *The Myth of a Progressive Reform: Railroad Regulation in Wisconsin, 1903-1910* (Madison, WI, 1970), 9.

12. Daland, "Enactment of the Potter Law," 54; Throne, "The Repeal of the Iowa Granger Law."

Hughitt knew that if operating costs fell, so would rates, and thus business would be brisk and patrons pleased.¹³

The issue of rates and other matters associated with railroad operations aroused widespread public concern during and after the catastrophic depression of 1893–1897. As the progressive movement took shape and gained momentum, the shrill cries for reform could be heard throughout the Chicago & North Western's service territory, just as they had been in portions of its western region during the ill-fated Populist revolt. Consumer-sensitive politicians, including Albert Baird Cummins of Iowa, Coe I. Crawford of South Dakota, and Robert Marion La Follette of Wisconsin—charismatic governors who subsequently became United States senators—lashed out repeatedly at the carriers. High on their list of corrections was the need for mileage-driven rates and ad valorem taxes.¹⁴

The Chicago & North Western failed to find much merit in either the rate or tax issue. Echoing the road's position during the Granger clamor, President Hughitt and fellow officers argued that their tariffs were fair and not discriminatory. Once more the C&NW sought to show the justice of its charges. It quoted scores of satisfied consumers and distributed their remarks on a state-by-state basis. One example came from the pen of Henry Klucke, a grain merchant in Breda, Iowa. "As for grain rates," he submitted, "the North Western Railway charges what I figure to be a fair rate. I see no benefit to be gained from a simple per mile rate formula."¹⁵

The taxation question parallels somewhat the story of rates. Of course, nonpayment of taxes, whether by a corporation or an individual, has never been popular, and so the tax-dodger has always been despised, but especially during hard times. Some railroads fussed about their obligations and used legal loopholes and technicalities for delay. Companies, too, commonly battled the concept of ad valorem taxes, preferring to pay on the basis of their earnings and not on their actual property. Reformers rightly sensed a problem, although street

13. Stennet, *Yesterday and To-day*, 93–94; *New York Times*, 7 January 1928.

14. See David P. Thelen, *Robert M. La Follette and the Insurgent Spirit* (Boston, 1976).

15. [Iowa] *Shippers Speak Out* (n.p., n.d.), 7.

railways became more notorious for massive tax abuse during the progressive era. As Nathan Kendall, a prominent Iowa progressive and a future governor, remarked in 1914, "The tax problem in recent years seems to be with the utilities, including several of the trolley lines in Sioux City, Davenport and Des Moines."¹⁶

There is no evidence that the Chicago & North Western embraced any blatant policy of tax-dodging. Hughitt wrote in 1894—the worst year of the depression of the 1890s and a time of growing public unhappiness with nonpayment of taxes by corporations, "We have always paid our taxes and have done so on time." Later that year, an Iowa populist agreed. "I bet the Northwestern [*sic*] is one of the few that pays its full taxes."¹⁷

If opposition to ad valorem taxes can be equated with tax-dodging, however, then the Chicago & North Western was guilty. It did not like the practice. "Our road built lines with the understanding that earnings would be the principal basis for taxation," observed Hughitt in 1903. "If tax obligations become unduly obsessive this railway will be unable to meet the constant demands for betterments."¹⁸

Yet Hughitt and his associates did not initiate concerted efforts to block passage of such proposals. When the La Follette administration pushed through an ad valorem measure in Wisconsin in 1903, for example, it was the Chicago, Milwaukee & St. Paul and the Wisconsin Central, not the Chicago & North Western, that waged war. Hughitt himself thought that if the C&NW's properties were assessed fairly, then there would be a bright spot: the company could prove conclusively that its rates were just and that net income was reasonable when compared to investment. The C&NW, moreover, could demonstrate that its capitalization was appropriate, although no one seriously charged it with stock "watering."¹⁹

16. Quoted in *Along the Line* (Chicago, 1914), 8.

17. Marvin Hughitt to James J. Hill, 3 March 1894, James J. Hill Papers, James J. Hill Reference Library, St. Paul, Minnesota, hereafter cited as Hill Papers; *The Dakota Ruralist* (Huron, SD), 21 July 1894.

18. Marvin Hughitt to James J. Hill, 1 May 1903, Hill Papers.

19. Caine, *The Myth of a Progressive Reform*, 50–54; Marvin Hughitt to James J. Hill, 1 May 1903, Hill Papers.

MARVIN HUGHITT and the Chicago & North Western believed that they had a fitting response to the demands of progressives. The railroad would not rely solely on its Granger-era programs of public relations and lobbying: it would emphasize self-help. The best solution to rate disputes rested with constantly improving the property. "The lowest and hence the best charges," to Hughitt's way of thinking, "can be made through furnishing transportation at the lowest possible price." Long-term prosperity would surely come to those lines that performed best at the cheapest cost. Patrons, furthermore, would protect good carriers from legislative excesses. "If we perform well . . . we will be treated in the same fashion." It is no wonder, then, that Hughitt readily backed a heavy capital-spending program.²⁰

This commitment to the "Best of Everything" also could combat a commonplace complaint made against railroads: wrecks and accidents. The carnage at times was awful. Between 1893 and 1913, 68,412 passengers and employees perished in railroad disasters. Muckrakers repeatedly blamed overworked, badly trained, and careless employees whose supervisors demanded long hours and fast speeds. Undeniably, safety emerged as a major consumer issue.²¹

The Chicago & North Western, like all carriers, experienced its share of mishaps. One that shocked management and the nation occurred on July 11, 1896, when a fast freight rammed a fifteen-car excursion train on the single-tracked mainline near Logan, Iowa. Thirty-one people died, and many others suffered injuries. The C&NW swung immediately into action. More than an investigation took place; the board of directors ordered the hastening of the double-tracking program on the Overland Route across the Hawkeye state. In a brilliant move, Hughitt encouraged an underling, R. C. Richards, to launch what proved to be the strikingly successful "Safety-

20. Minutes of the Board of Directors, Chicago & North Western Railway Company, 8 May 1905.

21. U.S. Department of Commerce, *Historical Statistics of the United States: Colonial Times to 1957* (Washington, DC, 1960), 437. See also Robert B. Shaw, *A History of Railroad Accidents, Safety Precautions, and Operating Practices* (Potsdam, NY, 1978).

First" campaign. The road conducted the earliest organized safety work of any American railroad. These efforts eventually led to savings of "hundreds of lives and countless hundreds of limbs." The program also enhanced the C&NW's public image. Following the derailment of an Omaha Road passenger train because of a broken rail in February 1914, the *Sioux City Journal* editorialized,

The C. and N.W. stands out conspicuous among American railroads for efficiency in all those things which relate to public safety. It has been in fact a pioneer therein. On its part there has been no halting or grudging compliance with all legal requirements in safety appliances. On the contrary it has on its own motion gone far beyond the requirements of the law. In addition it has for many years had in force a system of special training, in hearty cooperation with its employees, for safe-guarding travelers . . . a system which is a model to other progressive carriers.²²

Progressives, though, expressed greater confidence in regulation than they did in self-help. They aimed their sights at increasing federal control. These reformers fervently believed that previous federal statutes and various state regulations had been ineffective in curing what they considered to be long-existent abuses of exorbitant rates, discrimination, disregard of public safety, and excessive political influence. This agitation led to enactment of such measures as the Hepburn Act (1906), the Mann-Elkins Act (1910), and the Physical Valuations Act (1913).

The Chicago & North Western's attitudes toward the quest for federal regulation cast light on its perception of progressivism, and offer limited support for Gabriel Kolko's much-discussed thesis that railroad leaders favored federal over state supervision because they wished to replace stringent state controls with supposedly friendlier federal ones. Thus these mighty men adroitly seized control of the reformist impulse of progressivism to enrich themselves further. Admittedly, C&NW officials endorsed passage of the Physical Valuations

22. *The North Western Magazine* 7 (1921), 3; *Sioux City Journal* as cited in *The Daily Huronite* (Huron, SD), 12 February 1914.

Act, but they did not seek to manipulate anything. The road sought to show the public, especially regulators, that its rates were reasonable, its capitalization not excessive, and its improvements superb.²³

The explanation for the Chicago & North Western's backing of federal valuation and acceptance of some other measures fits better the views of historian Robert H. Wiebe. According to his interpretation of progressivism, the most meaningful uplift involved attempts by a new breed of citizens who were determined to remedy the disruptions produced by the rapidly emerging urban-industrial society. The solutions these "modernizers" advanced regularly involved "bureaucratization." They believed, for example, that independent regulatory commissions, staffed by well-trained and dedicated civil servants, could handle national disorders.²⁴

Marvin Hughitt, whose thoughts and actions were practically those of the Chicago & North Western, long sought an orderly and responsible railroad enterprise. As the result of the company's negative experiences with the "Iowa Pool" (1870-1884), the prototype of the Gilded Age's craze for "gentlemen's agreements" and subsequent rating associations, Hughitt and his colleagues came to put little faith in railroad officials' voluntary efforts to maintain tariff structures. Rate cutters, particularly the iconoclastic A. B. Stickney of the competing Chicago Great Western, appeared periodically and hurt the industry when they set unrealistically low charges. Shippers naturally assumed that anything higher was unfair.²⁵ Hughitt believed, however, that thoughtful *public* interventions might produce a predictable and realistic business environment. "How can we

23. See Gabriel Kolko, *The Triumph of Conservatism* (New York, 1963), and idem, *Railroads and Regulation, 1877-1916* (Princeton, NJ, 1965). The C&NW started to conduct valuation in 1903 for Wisconsin, in 1904 for Michigan, and in 1905 for Minnesota. Unquestionably, the company was prepared for a federal program. See Stenographers' Minutes before the Interstate Commerce Commission, 28-30 April 1927, Interstate Commerce Commission Valuation 898, National Archives, Washington, DC.

24. See Robert H. Wiebe, *The Search for Order, 1877-1920* (New York, 1967).

25. Stennet, *Yesterday and To-day*, 89-91; Marvin Hughitt to James J. Hill, 3 March 1894, Hill Papers. See also H. Roger Grant, *The Corn Belt Route: A History of the Chicago Great Western Railroad Company* (DeKalb, IL, 1984), 30-32.

operate in chaos?" he asked in 1905. "The central government could fashion a framework where roads like the C&NW can garner a living income." Although Hughitt did not agitate directly for the enactment of the Hepburn Act (and there is no indication that anyone else at the C&NW did either), he applauded its passage. In a letter to Edwin Wheeling Winter, a former C&NW executive and president of the Brooklyn Rapid Transit Company, Hughitt hoped that fellow railroad leaders "would have the good sense to observe the law, charge everybody the same price, and attend strictly to the business of carrying freight and passengers for a reasonable compensation." As he concluded, "This, I regard as the mission of a railway corporation."²⁶

Hughitt and the Chicago & North Western, however, thought the Mann-Elkins Act went too far. This measure dramatically strengthened the four-year-old Hepburn law. Specifically, it empowered the Interstate Commerce Commission (ICC) to hold up rate increases for as long as ten months and to decide during that time whether the proposed charges were reasonable. The ICC, furthermore, could intervene on its own initiative without waiting for a shipper to complain. Hughitt told his board of directors that he thought the waiting period was excessive; he worried about the ICC's ability to render an equitable decision; and he believed the law had the potential "to place roads, including ours, into a financial straight-jacket." Hughitt, of course, echoed former President Keep's concern about an inflexible rate structure. C&NW officials knew that if rates became too low, they would encounter difficulties in upgrading or even maintaining their property. The Mann-Elkins Act, then, could sap the road's overall efficiency, and in some ways it did. The glaring defects of the law outweighed any positive "modernizing" effects, although shippers' groups in Iowa and elsewhere saw it otherwise.²⁷

26. Marvin Hughitt to James J. Hill, 7 October 1905, Hill Papers; Marvin Hughitt to E. W. Winter, 8 September 1906, Edwin Wheeling Winter Papers, Minnesota Historical Society, St. Paul, Minnesota.

27. Minutes of the Board of Directors, Chicago & North Western Railway Company, 11 May 1911.

WHILE THE CHICAGO & NORTH WESTERN twice encountered the sting of reformers, its responses varied, partly because progressivism lasted so much longer than Grangerism and developed a greater complexity. Initially, the railroad emphasized education—a primitive form of public relations—and lobbying. Although the company embraced similar techniques from the 1890s on, it expressed increased confidence in self-help, coupled with modest federal intervention. If the C&NW could achieve the “Best of Everything,” then the body politic might well not single it out for punishment.

The railroad knew that there was evidence to support this general strategy. Indeed, as the company poured millions of dollars into its physical plant, its image shone with a considerable luster. Officials, Marvin Hughitt most of all, must have smiled if they read the editorial in the *Dakota Ruralist* of July 17, 1902, for this one-time voice of northern Great Plains populism and staunch advocate of “public capitalism”—socialism—concluded, “The North-Western has played an important part in the growth of the western country. Double-track lines, heavy locomotives and palace-like passenger trains have all come to the West largely as a result of the work of this Pioneer line. . . . This road is a good and conscientious citizen.” And C&NW “brass” surely knew of the thoughts of Iowa Railroad Commissioner Clifford Throne, who glowingly praised the road in 1914. “Of the steam railroads in Iowa, the North Western stands out as the leader. . . . Its plant is excellent, its employees are generally courteous and mindful of the public’s needs, and management in Chicago strives to conduct an efficient and public-spirited operation.”²⁸

Commissioner Throne surely knew, too, of the Chicago & North Western’s good behavior in Des Moines. While even the smallest railroads usually conducted some legislative lobbying, the C&NW’s efforts appear to have been modest. Compared to other railroads, Hughitt argued in 1907, “We do not have a large force of paid representatives in capitols. . . . We get our message out in other ways. Our up-to-date trains mean good service at the most reasonable of rates.” In Iowa during the early years of

28. *The Dakota Ruralist* (Aberdeen, SD), 17 July 1902; *North Western Magazine*, August 1914, 2.

the twentieth century, the other dominant trunk lines—the Chicago, Burlington & Quincy; the Chicago, Milwaukee & St. Paul; and the Rock Island—each spent more for lobbying than the C&NW did. Perhaps a relationship exists between “corporate arrogance” and intense lobbying: the more unpopular the carrier the greater its expenditures must be.²⁹

There was an innocence in the Chicago & North Western’s steadfast commitment to self-help, the “Best of Everything.” The company believed in quality, pure and simple. This response to reformers encountered some difficulties after the 1870s, in particular when the Mann-Elkins Act weakened the powers of railroad executives to price their product sensibly in an inflationary period. Even before 1910, at least one C&NW official wondered about the road’s position. Third Vice-President Horace G. Burt told James J. Hill, “The public apparently never can be satisfied with the quality of the service which railway companies render, not at all because it is lacking, but from the inherent unrest and selfishness of mankind in general.”³⁰

The Chicago & North Western regularly demonstrated its good corporate citizenship. If neither the Granger nor progressive episodes of house-cleaning had occurred, it seems highly probable that the C&NW would still have sought self-improvement. After all, the company faced stiff competition between its principal gateways. Across Iowa, for example, it vied with the Burlington, the Great Western, the Illinois Central, the Milwaukee, and the Rock Island. But Grangers made C&NW officials sensitive to rate issues, and their “cousins,” the progressives, educated them on various other matters, including taxation and the power of federal intervention. When the nation’s railroads were federalized during World War I, C&NW President William H. Finley aptly recalled his firm’s responses to reformers: “As a company we have taken our knocks from several parties over the years. What we have come to understand is that a *premier operation* is better able to withstand frontal attacks, at times instigated by badly misinformed do-gooders.”

29. Minutes of the Board of Directors, Chicago & North Western Railway Company, 4 March 1907.

30. Horace G. Burt to James J. Hill, 8 November 1897, Hill Papers.

When Marvin Hughitt retired as chairman of the board in the mid-1920s, Iowa Governor Nathan E. Kendall wrote a fitting tribute to the man and his railroad: "You, Sir, have made the Chicago & Northwestern [*sic*] into a fine property. . . . You haul [Iowa's] grain, coal and other goods effectively and cheaply . . . and we appreciate your personal contribution to this vital life-line which is the Northwestern."³¹

31. Unidentified newspaper clipping, 30 January 1918, Pliny Fisk Collection; *North Western Magazine*, December 1925, 28.

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